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EASTERN DISTRICT OF WASHINGTON

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UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF WASHINGTON

14 UNITED STATES OF AMERICA,

15 Plaintiff,

17 v.

18 MARY ANN BLIESNER,  
19 VALLEY PROCESSING, INC.,

20 Defendants.

1:22-CR- 2097-SAB  
INDICTMENT

Vio: 18 U.S.C. § 371  
Conspiracy to Violate 21  
U.S.C. §§ 331(a), 333(a)(2),  
342(a)(1), (a)(3), (a)(4), (b)(3),  
and (b)(4)  
(Count 1)

21 U.S.C. §§ 331(a),  
333(a)(2), 342(a)(1), (a)(3),  
(a)(4), (b)(3), and (b)(4)  
Introducing Adulterated Food  
into Interstate Commerce  
(Counts 2 and 3)

26 21 U.S.C. §§ 331(dd),  
333(a)(2)  
Failure to Register a Food  
Facility  
(Counts 4 and 5)

1 18 U.S.C. § 371  
2 Conspiracy to Defraud and  
3 Obstruct the Lawful  
4 Regulatory Functions of the  
5 Food and Drug Administration  
6 (Count 6)

7 18 U.S.C. § 1001  
8 False Statements  
9 (Counts 7 through 9)

10 18 U.S.C. §§ 1341 and 1349  
11 Conspiracy to Commit Mail  
12 Fraud  
13 (Count 10)

14 18 U.S.C. § 1341  
15 Mail Fraud  
16 (Counts 11 and 12)

17 18 U.S.C. § 981, 18 U.S.C.  
18 § 982, 28 U.S.C. § 2461  
19 Forfeiture Allegations

20 The Grand Jury charges:

21 INTRODUCTION AND OVERVIEW

22 1. Beginning no later than on or about October 29, 2012, and continuing  
23 until at least on or about June 20, 2019, Defendant, VALLEY PROCESSING,  
24 INC., a juice manufacturer, and one of its owners, Defendant, MARY ANN  
25 BLIESNER, together with co-conspirators both known and unknown to the grand  
26 jury, engaged in a scheme to defraud and conspiracy to violate federal food safety  
27 law and to introduce adulterated, misbranded, and unsafe fruit juice concentrate  
28 and other fruit products from Defendants' Sunnyside, Washington location into  
interstate commerce. In this manner, and as described herein, Defendants  
unlawfully and fraudulently enriched themselves by selling hundreds of thousands

1 of gallons of adulterated juice concentrate and other fruit products that they knew  
2 were unfit for human consumption and which endangered the safety of the public,  
3 including, as Defendants well knew, school children throughout the nation who  
4 consumed Defendants' juice products as part of free and reduced-cost school  
5 lunches.

6       2. As part of Defendants' scheme, Defendants: violated food safety laws  
7 and regulations, falsified documentation and made materially false statements to  
8 customers and the U.S. Food and Drug Administration (FDA); concealed material  
9 information from customers and the FDA; with the intention to defraud and  
10 mislead; concealed from the FDA unsafe and insanitary food facilities used to store  
11 fruit juice products by failing to register the food facilities with the FDA as  
12 required by federal food safety laws; willfully and intentionally obstructed the  
13 FDA's lawful inspection and regulation of Defendants' production facilities; and  
14 defrauded and misled customers by supplying adulterated and unsafe fruit juice  
15 products to customers, including customers whom Defendants knew were using  
16 those products to make juice used in the United States Department of Agriculture's  
17 (USDA) School Lunch Program.

18       3. Defendants' violations of food safety laws were not mere technical  
19 violations, but were knowing, egregious, and endangered the public. Defendants  
20 used moldy, fermented, rotten, and otherwise adulterated juice product containing  
21 mold, animal excrement, insect and rodent remains, rusted metal, and other  
22 contaminants to manufacture fruit juice, fruit juice concentrate, and other products,  
23 which it then sold and shipped to customers in interstate commerce. To hide the  
24 age, contamination, adulteration, inferiority, and poor quality of its products,  
25 Defendants frequently "blended" or "reworked" these adulterated, inferior, and  
26 contaminated products with newer product, and then assigned a new lot number  
27 and production date to the resulting product. Defendants fraudulently sold and  
28

1 shipped the resulting product to unsuspecting customers as newly produced  
2 product. In this manner, rather than dispose of unusable product that was multiple  
3 years old, adulterated, rotten, moldy, and contaminated, Defendants monetized the  
4 product and avoided disposal costs, as well as the significant costs of properly  
5 processing and storing their products.

6 4. By executing their scheme and conspiracy over a multi-year period,  
7 Defendants obtained millions of dollars in revenue through cheating customers and  
8 endangering the public.

#### 9 GENERAL ALLEGATIONS

10 5. At all times relevant to this Indictment, Defendant VALLEY  
11 PROCESSING, INC. (hereinafter VALLEY PROCESSING or VPI) was a  
12 Washington corporation located and headquartered at 108 Blaine Avenue,  
13 Sunnyside, Washington, 98944 (hereinafter the Blaine Avenue Facility) in the  
14 Eastern District of Washington. VPI manufactured single-strength fruit juice and  
15 fruit juice concentrate, including apple, pear, and grape juice products for  
16 customers worldwide. VPI's customers included at least two customers that  
17 purchased significant quantities of products for use in the USDA's School Lunch  
18 Program.

19 6. At times relevant to this Indictment, VPI's Blaine Avenue Facility  
20 included three manufacturing plants, known as "Plant 1," "Plant 2," and "Plant 3,"  
21 an ambient conditions warehouse (known as the "Mojo Warehouse"), a cold room  
22 (the "Mojo Cold Room"), and freezers, office space, and other storage and  
23 facilities. In addition to the Blaine Avenue Facility, which was registered with the  
24 FDA, VPI also owned and operated juice product storage facilities located at 130  
25 US Grape Road, Sunnyside, Washington (the "Grape Road Facility," also known  
26 as "the Hill") and a maintenance building at 105 South First Street, Sunnyside,  
27 Washington (the "Briner Building Facility"). As further set forth below, during  
28

1 time periods relevant to this Indictment, Defendants, with the intent to defraud and  
2 mislead the FDA, concealed the Grape Road Facility and the Briner Building  
3 Facility by, among other things, not registering these facilities with the FDA, to  
4 prevent the FDA from inspecting or regulating these facilities.

5 7. At all times relevant to this Indictment, Defendant MARY ANN  
6 BLIESNER was a resident of the Eastern District of Washington and was the  
7 President and primary owner of VPI. At some times relevant to this Indictment,  
8 Defendant MARY ANN BLIESNER held additional titles at VPI, including  
9 corporate Secretary and Treasurer. At all times relevant to the Indictment,  
10 Defendant MARY ANN BLIESNER was knowledgeable of the purchase, receipt  
11 and storage of all fruit and raw materials at VPI, was knowledgeable of fruit  
12 production into juices, concentrates, and purées at VPI, was knowledgeable of the  
13 distribution of finished products from VPI, had overall responsibility for VPI's  
14 sales to customers, and oversaw all operations of VPI.

16 Relevant Food Safety Law

17 8. The FDA is a federal agency of the U.S. Department of Health and  
18 Human Services responsible for, *inter alia*, protecting public health by ensuring the  
19 safety of the nation's food supply chain. The Food, Drug, and Cosmetic Act  
20 (FDCA) vests primary responsibility for regulating and ensuring food safety in the  
21 United States in the FDA, which promulgates regulations, rules, and guidance, and  
22 conducts inspections, investigations, and audits regarding food safety.

23 9. At all times relevant to this Indictment, 21 U.S.C. § 321(f) defined  
24 "food" as, *inter alia*, articles used for food or drink by humans or other animals, or  
25 components of such articles.

26 Adulterated Food

27 10. Under 21 U.S.C. § 342, a food is considered "adulterated" if, *inter*  
28 *alia*:

- a. It contains any poisonous or deleterious substances which might render it injurious to health;
- b. It consists, in whole or in part, of any filthy, putrid, or decomposed substance, or if it is otherwise unfit for food;
- c. It has been prepared, packed, or held under insanitary conditions whereby it may have been rendered injurious to health;
- d. Damage or inferiority has been concealed in any manner; or
- e. Any substance has been added thereto or mixed or packed therewith so as to reduce its quality or strength, or make it appear better or of greater value than it is.

11. The Food, Drug, and Cosmetic Act prohibits, and subjects a juice processor to criminal penalties, for introducing, delivering for introduction, or causing the introduction or delivery for introduction, of adulterated food into interstate commerce. 21 U.S.C. §§ 331(a), 333.

*Requirement for CGMP and HACCP Plans*

12. Federal food current good manufacturing practice (CGMP) regulations establish basic practices required to be followed, and conditions required to be maintained, by entities or individuals who receive, prepare, process, pack, hold, or distribute human food, including juice. 21 C.F.R. Part 117, Subpart B. The purpose of CGMP is to ensure that food, including juice, is processed in a safe and sanitary manner and to prevent its adulteration. 21 C.F.R. § 120.5.

13. Juice processors are required to monitor, with sufficient frequency, their sanitation conditions and practices used during processing and storage to ensure, at a minimum, that they conform with CGMP regulations for manufacturing, packing, and holding human food. *See, e.g.*, 21 C.F.R. Part 117, subpart B, 21 C.F.R. § 120.6(b). Juice processors are required to comply with CGMP to ensure that their facilities, methods, practices, and controls used to



1 process and store juice are sanitary and safe and to prevent the adulteration of their  
2 juice products. 21 C.F.R. § 120.5; 21 C.F.R. Part 117, Subpart B. For example:

3 a. 21 C.F.R. § 117.35(a) requires that buildings, fixtures, and other  
4 physical facilities of the plant must be maintained in a clean and sanitary  
5 condition and must be kept in repair adequate to prevent food from  
6 becoming adulterated.

7 b. 21 C.F.R. § 117.35(c) requires that pests, including any objectionable  
8 animals or insects including birds, rodents, flies, and larvae, not be allowed  
9 in any area of a food plant, and that juice processors take effective measures  
10 to exclude pests from the manufacturing, processing, packing, and holding  
11 areas and to protect against the contamination of food on the premises by  
12 pests.

13 c. 21 C.F.R. § 117.37 requires that every building or structure or parts  
14 thereof, used for or in connection with the manufacturing, processing,  
15 packing, or holding of human food, be equipped with adequate sanitary  
16 facilities and accommodations including water supply, toilet facilities for  
17 employees, and hand-washing facilities designed to ensure that an  
18 employee's hands are not a source of contamination of food, food-contact  
19 surfaces, or food-packaging materials.

20 14. Juice storage and transportation are required to be under conditions  
21 that would protect against allergen cross-contact, as well as biological, chemical,  
22 and physical contamination of food, as well as against deterioration of the food and  
23 the container. 21 C.F.R. § 117.93.  
24

25 15. Manufacturers, such as VPI, that process juice products that are sold  
26 as juice or are used as an ingredient in beverages are also subject to the juice  
27 Hazard Analysis and Critical Control Point (HACCP) regulations of 21 C.F.R. Part  
28 120. 21 C.F.R. §§ 120.1 and 120.3(i)(1). "Juice" means the aqueous liquid

1 expressed or extracted from one or more fruits or vegetables, purées of the edible  
2 portions of one or more fruits or vegetables, or any concentrates of such liquid or  
3 purée. The purpose of HACCP regulations and plans is to prevent the occurrence  
4 of potential food hazards in, or adulteration of, the juice. HACCP achieves this  
5 goal by requiring juice processors to assess their processing operations (known as  
6 the hazard analysis), identify points in the process at which various hazards may  
7 occur (known as critical control points), and establish measures to control, prevent,  
8 or eliminate those hazards (known as critical limits). *See* 21 C.F.R. §§ 120.7-  
9 120.13. The failure of a processor to have and to implement a Hazard Analysis  
10 and Critical Control Point (HACCP) system that complied with 21 C.F.R. §§  
11 120.6, 120.7, and 120.8, or otherwise to operate in accordance with 21 C.F.R. Part  
12 120, renders the juice products of that processor adulterated under 21 U.S.C. §  
13 342(a)(4). 21 C.F.R. § 120.9.

15 16. Under the juice HACCP regulations, each juice processor, including  
16 VPI, is required to develop a written hazard analysis to determine whether there  
17 are food hazards reasonably likely to occur during processing for each type of juice  
18 produced and to identify control measures that the processor can apply to control  
19 those hazards. 21 C.F.R. § 120.7(a). Whenever a hazard analysis identifies one or  
20 more food hazards that are reasonably likely to occur during processing, the  
21 processor is required to have and implement a written HACCP plan to control the  
22 identified food hazards. 21 C.F.R. § 120.8.

23 17. Additionally, a juice processor's HACCP plan must identify "critical  
24 control points" (CCPs) in the juice manufacturing process at which a control  
25 measure can be applied that is essential to reduce an identified food hazard to an  
26 acceptable limit. 21 C.F.R. §§ 120.3(d), 120.7(a)(5).

27 18. For each CCP, the HACCP plan must establish a "critical limit" *i.e.*,  
28 the "maximum or minimum value to which a physical, biological, or chemical



1 parameter must be controlled . . . to prevent, eliminate, or reduce to an acceptable  
2 level, the occurrence of the identified food hazard.” 21 C.F.R. §§ 120.3(e),  
3 120.8(b)(3).

4 19. The juice HACCP regulation further requires that juice processors  
5 have and implement a sanitation standard operating procedure that addresses  
6 sanitation conditions and practices before, during, and after processing, in each  
7 location where juice is processed. 21 C.F.R. §§ 120.6, 120.8(a)(1).

8 20. Because a juice processor is required to follow CGMP, HACCP  
9 regulations, and HACCP plans in order to ensure that its products are safe, fit for  
10 human consumption, and processed, packed, and held in sanitary conditions, juice  
11 products that are processed, packed, or held out of compliance with CGMP  
12 requirements, HACCP regulations, or a processor’s HACCP plan are, by  
13 definition, processed, packed, or held in insanitary conditions (and therefore are  
14 adulterated) within the meaning of 21 U.S.C. § 342(a)(4).

15 21. Similarly, juice products are adulterated if the manufacturer’s quality  
16 control operations fail to ensure that food is safe or suitable for human  
17 consumption. *See* 21 C.F.R. § 117.1(a)(1)(ii), 117.80(a)(2).

18 *Misbranded Food*

19 22. At all times relevant to this Indictment, pursuant to 21 U.S.C.  
20 § 321(k), a “label” was a display of written, printed, or graphic matter upon any  
21 article or any of its containers or wrappers or accompanying such article.  
22 “Accompanying” an article does not require physical attachment to the article and  
23 includes electronic graphic matter. Moreover, if the article and the information are  
24 part of an integrated distribution program, and the information is textually related  
25 to the article, the information is labeling.

26 23. Pursuant to 21 U.S.C. § 343, a food is “misbranded” if, *inter alia*, its  
27 labeling or packaging is false or misleading.

1        24. The Food, Drug, and Cosmetic Act prohibits, and subjects a juice  
2 processor to criminal penalties, for introducing, delivering for introduction, or  
3 causing the introduction or delivery for introduction, of misbranded food into  
4 interstate commerce. 21 U.S.C. §§ 331(a), 333(a).

5            *Requirement to Register a Food Facility with FDA*

6        25. At all times relevant to this Indictment, pursuant to 21 U.S.C. § 350d,  
7 the owner of any domestic facility where food was manufactured, processed,  
8 packed, stored, or held was required to register and bi-annually re-register with the  
9 FDA the name and address of each such facility. Among the purposes of the  
10 registration requirement is so that FDA can appropriately identify, regulate and, as  
11 necessary, inspect or audit each such facility to ensure it is compliant with food  
12 safety law.  
13

14        26. The Food, Drug, and Cosmetic Act prohibits, and subjects a juice  
15 processor to criminal penalties for, failing to register a food facility with the FDA.  
16 21 U.S.C. §§ 350d, 331(dd), 333(a).

17            *Contaminants in Fruit Juice*

18        27. Arsenic is a heavy metal that occurs in the environment from both  
19 natural and human-made sources, including in soils, rocks, volcanic eruptions,  
20 contamination from mining and smelting ores, and pesticides. Arsenic may occur  
21 in both inorganic and organic forms, and inorganic arsenic is generally more toxic  
22 than organic arsenic. Inorganic arsenic has been known to cause cancer, skin  
23 lesions, cardiovascular disease, neurotoxicity, diabetes, and other conditions in  
24 humans. Inorganic arsenic is a potential hazard for apple and pear juice products.  
25 Because arsenic is a heavy metal, thermal processing, such as pasteurization, does  
26 not destroy or reduce the amount of arsenic in juice or juice products.  
27 Pasteurization is a heat treatment in which food is heated for a specified time to  
28 temperatures below boiling point to reduce certain microorganisms.

1        28. Patulin is a mycotoxin produced by certain species of molds that may  
2 grow on a variety of foods, including apples and pears. Moldy, decaying, or  
3 damaged apples and pears are particularly susceptible to having high levels of  
4 patulin and patulin-producing molds. If fallen fruit, moldy, rotten, bruised, or  
5 improperly stored apples are used to make juice, the juice may have high levels of  
6 patulin. Thermal processing, such as pasteurization, does not destroy or reduce the  
7 amount of patulin in juice or juice products. While patulin is not reduced or  
8 eliminated by pasteurization, it can be destroyed by fermentation. Accordingly,  
9 patulin is generally not found in alcoholic beverages such as hard ciders or in  
10 vinegar products made from apple or pear juices.  
11

12        29. Exposure to high patulin levels over time may pose health hazards in  
13 humans, including nausea, vomiting, and gastrointestinal disturbances, as well as  
14 immunological and neurological effects. FDA has established an action level for  
15 patulin of 50 parts per billion (ppb) in apple juice.

16        30. Other potential hazards in juice and juice products include yeast,  
17 mold, bacteria (*e.g., e. coli*), viruses (*e.g., norovirus*), and other parasites (*e.g., the*  
18 *protozoa parasite cryptosporidium parvum*) (hereinafter microorganisms).  
19 Microorganisms may cause a host of health issues, from food poisoning to, in some  
20 cases, long-term reactive arthritis or other types of severe chronic illness. Some  
21 harmful microorganisms can survive and thrive in acidic juices such as grape juice.  
22 While thermal treatment such as pasteurization is a process used to reduce harmful  
23 microorganisms from appropriately stored and processed juice, it is not a  
24 sterilizing process and cannot be counted on to kill all microorganisms, nor can it  
25 be used to “rescue” (*i.e., render fit for human consumption*) juice that has not been  
26 properly processed or stored or to make adulterated juice products non-adulterated  
27 or safe for human consumption.  
28

1           31. In addition to naturally occurring microorganisms, other harmful  
2 substances can be introduced during juice processing and storage in a variety of  
3 ways. For example, tobacco use by employees, pests such as rodents and insects,  
4 bird feathers and droppings, insect larvae, snails and slugs, the use of food  
5 equipment for non-food purposes, and lack of, or failure to follow, sanitation  
6 practices may all contribute to the introduction of potentially harmful contaminants  
7 into juice. While some of these contaminants may be reduced through pasteurizing  
8 (or re-pasteurizing) juice, others cannot be reduced. Pasteurizing juice is not a  
9 replacement for following food safety laws, HACCP plans, or CGMP, but rather  
10 one component of them.

11  
12                           The USDA School Lunch Program

13           32. The USDA's School Lunch Program (sometimes referred to as the  
14 National School Lunch Program or NSLP) is the nation's second-largest food and  
15 nutritional assistance program. The School Lunch Program provides free or  
16 reduced-cost lunch to over 20 million children each school day. USDA's research  
17 indicates that children from food-insecure and marginally food-secure households  
18 are more likely to eat School Lunch Program meals, and they receive more of their  
19 food and nutrient intake from school meals than other children. For many food-  
20 insecure or marginally food-secure children, meals provided by the School Lunch  
21 Program are frequently their primary and most reliable sources of nutrition.

22                           COUNT 1

23           33. The allegations in paragraphs 1 through 32 of this Indictment are  
24 incorporated as though realleged herein.

25           34. Beginning on a date unknown to the grand jury but no later than  
26 October 29, 2012, and continuing until a date unknown to the grand jury but until  
27 at least June 20, 2019, in the Eastern District of Washington and elsewhere,  
28 Defendants, MARY ANN BLIESNER and VALLEY PROCESSING, INC.,

1 together with other persons known and unknown to the grand jury, knowingly and  
2 willfully conspired and agreed to introduce into interstate commerce, with the  
3 intent to defraud and mislead, adulterated and misbranded food in violation of 21  
4 U.S.C. § 331(a), 333(a)(2), 342(a)(1), (a)(3), (a)(4), (b)(3), and (b)(4).

5 35. It was the object of the conspiracy for Defendants and their known  
6 and unknown co-conspirators to unlawfully enrich themselves by manufacturing,  
7 selling, and shipping in interstate commerce, with the intent to defraud and  
8 mislead, adulterated juice concentrate and juice products to unsuspecting  
9 customers and consumers, including to customers for use in the USDA's School  
10 Lunch Program.

11  
12 Manner and Means of the Conspiracy

13 36. It was part of the conspiracy that Defendants and their known and  
14 unknown co-conspirators, and with the intent to defraud and mislead, knowingly,  
15 willfully, and intentionally failed to follow CGMP, food safety regulations, and  
16 HACCP requirements and regulations in their production and storage of fruit juice  
17 and fruit juice products, resulting in adulterated and misbranded juice products  
18 being sold and shipped in interstate commerce.

19 *Defendants' Blaine Avenue Facility*

20 37. It was further part of the conspiracy that Defendants, and their known  
21 and unknown co-conspirators, stored thousands of metal and plastic drums of  
22 grape juice concentrate and other grape juice products in open air at ambient  
23 temperatures at and outside the Blaine Avenue Facility, sometimes for years. As  
24 late as May 2018, some of these drums contained juice concentrate and juice  
25 products that had been produced as early as 2011 and were stored outside at  
26 ambient conditions and temperatures, rotting and fermenting for years. Defendants  
27 nonetheless used these products to fill customer orders by either selling and  
28 shipping the product as-is, blending it with other product and fraudulently



1 reassigning a new lot number and production date, or “reworking” old product by  
2 rehydrating, reprocessing, and re-pasteurizing it then fraudulently reassigning the  
3 “reworked” product with a new lot number and production date.

4 38. During an FDA inspection of VPI in 2018, FDA investigators took the  
5 following photographs of grape juice concentrate stored by Defendants at  
6 Defendants’ Blaine Avenue Facility, which show the adulterated grape juice  
7 concentrate stored by Defendants in thousands of 55-gallon drums:  
8







39. It was further part of the conspiracy that Defendants, and their known and unknown co-conspirators, willfully and intentionally sold and shipped in interstate commerce grape juice products that had been stored by Defendants and their known and unknown co-conspirators at the Blaine Avenue Facility in “cold storage” for many years, some of which had been originally processed by Defendants, and their known and unknown co-conspirators, as early as 2007.

40. It was further part of the conspiracy that Defendants, and their known and unknown co-conspirators, held and stored the solid sediment tartrates that settled at the bottom of the drums of grape juice concentrate, sometimes referred to by Defendants and their known and unknown co-conspirators as grape “bottoms.” Defendants removed the liquid concentrate from the drums, leaving the grape “bottoms” filling approximately one-fourth of the drum. Rather than immediately reprocessing, disposing of, or properly storing the grape bottoms, Defendants and their known and unknown co-conspirators at times held grape “bottoms” for many

1 years at ambient temperatures and in insanitary conditions. Defendants and their  
2 known and unknown co-conspirators “reworked” the old, rotten, and moldy grape  
3 “bottoms” during periods of downtime at Defendants’ facilities, such as in between  
4 harvest seasons. “Rework” involved adding water to the grape “bottoms,”  
5 pumping the mixture from multiple drums of grape “bottoms” into a tank, and re-  
6 pasteurizing the mixture to make additional concentrate. Defendants and their  
7 known and unknown conspirators, with the intent to conceal the age, adulteration,  
8 and inferiority of the product, then fraudulently assigned a new lot number and  
9 production date corresponding to the date the grape “bottoms” were “reworked,”  
10 rather than the original processing dates. Defendants fraudulently sold the  
11 resulting juice concentrate to customers as recently-produced product.  
12

13 41. During an FDA inspection of VPI in 2018, FDA investigators took the  
14 following photographs of grape “bottoms” stored by Defendants at the Blaine  
15 Avenue Facility, which shows the adulterated grape “bottoms” stored by  
16 Defendants in thousands of 55-gallon drums. These photos show apparent mold  
17 growth inside the plastic bags holding the grape “bottoms”:  
18







42. Defendants' records reviewed by the FDA investigators show that between April 26, 2018, and April 30, 2018, the material from the above photographed 55-gallon drum was "reworked" along with multiple other grape bottoms also from production years 2011 to 2016, and which had also been stored outside at ambient temperatures by Defendants for years. The "reworked" material from the above pictured 55-gallon drum and others like it, was given a new lot code number of 050218-C6 which thereby made the "reworked" material to appear to be from production year 2018.

*Defendants' Unregistered and Fraudulently Concealed U.S. Grape Road Facility*

43. It was further part of the conspiracy that, during the time period relevant to this Indictment, and beginning at least as early as October 29, 2012, Defendants and their known and unknown co-conspirators owned, operated, and used the Grape Road Facility, located at 130 U.S. Grape Road, Sunnyside, Washington, to house, hold, and store grape juice products including grape juice concentrate. The Grape Road Facility, which was located approximately three

1 miles from the Blaine Avenue Facility, was sometimes referred to as “U.S. Grape,”  
2 “Grape Road” or “the Hill.”

3 44. It was further part of the conspiracy that, while Defendants registered  
4 the Blaine Avenue Facility with the FDA, Defendants, and their known and  
5 unknown co-conspirators, with the intent to defraud and mislead the FDA, did not  
6 register the Grape Road Facility with the FDA as required by federal food safety  
7 laws. Defendants, and their known and unknown conspirators, did not register,  
8 and affirmatively concealed, the Grape Road Facility because they knew that it  
9 contained grape concentrate that was unsafe and unfit for human consumption.  
10 Defendants sought to hide the Grape Road Facility from FDA to prevent FDA  
11 from inspecting or regulating it for compliance with food safety law and  
12 regulation. It was further part of the conspiracy that Defendants, and their known  
13 and unknown co-conspirators, failed to follow CGMP and food safety law and  
14 regulation and never implemented a HACCP plan at the Grape Road Facility.

15 45. It was further part of the conspiracy that Defendants, and their known  
16 and unknown co-conspirators, took affirmative steps to hide their storage and use  
17 of grape juice products at the Grape Road Facility from FDA and its personnel.  
18 These steps included: (1) during various FDA inspections in 2015-2016, 2017, and  
19 2018, when questioned regarding facilities at which Defendants were storing or  
20 processing fruit juice products, Defendants and their known and unknown co-  
21 conspirators, at Defendant MARY ANN BLIESNER’s explicit direction, did not  
22 disclose any other such facilities; (2) when, in Spring 2018, FDA learned of the  
23 Grape Road Facility from confidential sources, Defendants MARY ANN  
24 BLIESNER and VALLEY PROCESSING, and their known and unknown co-  
25 conspirators, denied that the Grape Road Facility was being used to store grape  
26 juice product; (3) when, in Spring 2018, FDA indicated its intention to inspect the  
27 Grape Road Facility after learning of it from confidential sources, Defendants  
28

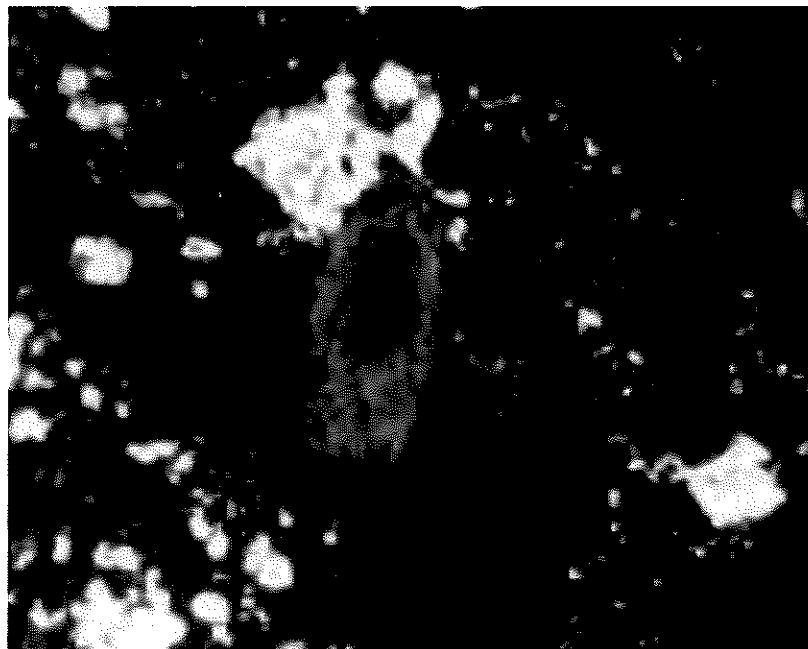
1 MARY ANN BLIESNER and VALLEY PROCESSING, and their known and  
2 unknown co-conspirators, instructed co-conspirators to place caution tape around  
3 the entrances to the facilities to make it appear as though the Grape Road Facility  
4 was not in use and that the building was structurally unsafe; (4) when, in Spring,  
5 2018, FDA indicated its intention to inspect the Grape Road Facility after learning  
6 of its existence from confidential sources, Defendants MARY ANN BLIESNER  
7 and VALLEY PROCESSING, and their known and unknown co-conspirators told  
8 FDA investigators and instructed employees to tell FDA investigators that the  
9 facilities were unsafe to enter and that they contained no juice or juice products.  
10

11 46. It was further a part of the conspiracy that Defendants, and their  
12 known and unknown co-conspirators, kept earlier seasons' unsold grape juice  
13 concentrate in the Grape Road Facility, sometimes for many years. Defendants  
14 stored product, including grape juice concentrate at the Grape Road Facility in: (1)  
15 a "cold room" used to store 55-gallon drums of grape juice concentrate; (2) a  
16 structure containing two refrigerated storage tanks referred to by Defendants as  
17 "USG1" and "USG2," each with an approximate capacity of 275,000 gallons; and  
18 (3) three 26,000-gallon capacity inadequately-covered concrete tanks, referred to  
19 by Defendants as G22, G23, and G24. Tanks G22, G23, and G24 were not kept in  
20 a temperature-controlled or refrigerated location, but instead were open to the  
21 elements, and insufficiently cooled only by an air condenser that blew cool air  
22 across the top of the open 26,000 gallon storage tanks, which, at times, were  
23 partially covered by a plastic liner.  
24

25 47. Product stored and held at the unregistered and undisclosed Grape  
26 Road Facility was adulterated, noncompliant with food safety law and regulation,  
27 unsafe, and unfit for consumption because of the product's age and the conditions  
28 at the Grape Road Facility. Product stored at the unregistered and undisclosed  
Grape Road Facility contained and consisted of fermented product as well as filthy,

1 putrid, and decomposed substances, including visible mold, animal urine and feces,  
2 and decomposing corpses of birds, rodents, and insects. It was further part of the  
3 conspiracy that Defendants, and their known and unknown co-conspirators,  
4 nonetheless moved product from the unregistered and undisclosed Grape Road  
5 Facility to the Blaine Avenue Facility and blended it with newer and less  
6 contaminated product to hide its age, adulteration and unsuitability for  
7 consumption. Defendants and their known and unknown co-conspirators sold and  
8 shipped the blended and adulterated product to unsuspecting customers.  
9

10 48. During an FDA inspection of VPI in 2018, FDA investigators took  
11 the following photograph of a live rat in tank G24 at the Grape Road Facility,  
12 standing on top of the moldy and rotten juice concentrate, the top layer of which  
13 contained a layer of mold thick and hard enough for the rat to walk on. This  
14 photograph was taken approximately two months after Defendants transferred over  
15 105,000 pounds of grape juice concentrate from this same tank into 55-gallon  
16 drums to prepare a lot of grape juice concentrate for shipment and sale to  
17 customers in interstate commerce:





1 *Defendants' Unregistered and Fraudulently Concealed Briner Building Facility*

2 49. It was further part of the conspiracy that, during the time period  
3 relevant to this Indictment, Defendants, and their known and unknown co-  
4 conspirators, owned, operated, and used another facility, the Briner Building  
5 Facility located at 105 South First Street, Sunnyside, Washington, to house, hold,  
6 and store fruit juice and fruit juice products. The Briner Building primarily served  
7 as a maintenance building used to house maintenance supplies and equipment;  
8 however, Defendants and their known and unknown co-conspirators also used the  
9 Briner Building Facility to store and hold fruit juice products, including grape juice  
10 concentrate stored in 55-gallon drums.  
11

12 50. It was further part of the conspiracy that Defendants, and their known  
13 and unknown co-conspirators, did not register the Briner Building Facility with the  
14 FDA as required. Defendants, and their known and unknown conspirators, with  
15 the intent to defraud and mislead, failed to register, and affirmatively concealed,  
16 the Briner Building Facility because they knew it did not meet the food safety laws  
17 and legal requirements as set forth in this Indictment. Defendants intentionally hid  
18 from FDA the existence of the Briner Building Facility so that FDA could not  
19 inspect or regulate it.  
20

21 51. It was further part of the conspiracy that Defendants, and their known  
22 and unknown co-conspirators, stored drums of fruit juice products at the Briner  
23 Building Facility, for many years, in a room that had cooling units but which was  
24 not temperature controlled. Defendant nonetheless willfully and knowingly used  
25 these products in filling orders and sold and shipped them in interstate commerce,  
26 either by selling and shipping them outright; by blending them with other, newer  
27 products and fraudulently reassigning them with a new lot number and production  
28 date corresponding to the later date on which the old product had been blended; or  
by "reworking" old product by rehydrating concentrate and then reprocessing and

1 re-pasteurizing the product, and fraudulently reassigning them with a new lot  
2 number and production date corresponding to the later date on which the old  
3 product had been “reworked.”

4 *False and Fraudulent Mislabeling, Documentation, and Sale to Customers*

5 52. It was further part of the conspiracy that Defendants, and their known  
6 and unknown co-conspirators, sold and shipped the adulterated, insanitary, unfit,  
7 and unsafe juice products that had been produced, packed, stored, and held at the  
8 Blaine Avenue Facility, the unregistered and undisclosed Grape Road Facility, and  
9 the unregistered and undisclosed Briner Building Facility, in violation of food  
10 safety laws and regulations, HACCP requirements, and CGMP, to unsuspecting  
11 customers, including for use in the USDA’s School Lunch Program. Defendants  
12 did not inform their customers that the products customers were purchasing  
13 contained adulterated and misbranded product that incorporated concentrate from  
14 the unregistered and undisclosed Grape Road Facility or the unregistered and  
15 undisclosed Briner Building Facility, as well as grape “bottoms” and other product  
16 improperly stored in and outside the Blaine Avenue Facility.

17 53. It was further part of the conspiracy that Defendants, and their known  
18 and unknown co-conspirators, provided false Certificates of Analysis (CoAs) to  
19 customers to conceal the product’s true age and contamination. The false CoAs  
20 included, *inter alia*: (1) false and fraudulent representations regarding the  
21 production date(s) of the product; (2) false and fraudulent representations  
22 regarding the quality, fitness, and suitability of the product; (3) false and fraudulent  
23 representations that testing for patulin had been conducted and was “pending,”  
24 when in fact no testing was conducted; (4) false and fraudulent representations that  
25 patulin testing was “pending,” when in fact Defendants had no intent to provide,  
26 and did not provide, the customer with further information about any patulin  
27 testing; (5) false and fraudulent representations that patulin test results were “<50  
28

1 ppb”; that is, below the FDA action level for patulin of 50 parts per billion (ppb),  
2 when in fact patulin testing either was not conducted at all or was conducted and  
3 yielded results greater than 50 ppb; (6) false and fraudulent representations that  
4 arsenic test results were below FDA action levels when in fact arsenic testing  
5 either was not conducted at all, or was conducted and yielded results greater than  
6 the applicable action level; and (7) false and fraudulent representations that yeast  
7 test results (an indication of fermentation and spoilage and potentially unfit  
8 product) were below specifications when in fact testing yielded results greater than  
9 the applicable specification and far in excess of what was indicated on the CoA.  
10

11 54. It was further part of the conspiracy that Defendants, and their known  
12 and unknown co-conspirators, at times operated without HACCP plans; with  
13 inadequate plans; and in violation of their own HACCP plans, in violation of the  
14 legal requirement that they implement and follow HACCP plans for each product  
15 type and at each location at which Defendants held and stored juice products. For  
16 example, Defendants, and their known and unknown co-conspirators, never  
17 implemented a HACCP plan for the Grape Road Facility, nor to produce juice  
18 using old grape “bottoms.”

19 55. Defendants, and their known and unknown co-conspirators, engaged  
20 in the conspiracy to fraudulently ship to unsuspecting customers adulterated and  
21 misbranded product that was unsafe, insanitary, and unfit for consumption because  
22 they did not want to “waste” (*i.e.*, not use) any product that they could monetize to  
23 generate revenue for Defendant VALLEY PROCESSING. Defendants’ products  
24 were shipped and sold to domestic and international customers, including for use in  
25 School Lunch Program meals primarily consumed by disadvantaged children in  
26 American public schools.  
27  
28

Overt Acts in Furtherance of the Conspiracy

56. In furtherance of the conspiracy and to accomplish its purposes, Defendants, and their known and unknown co-conspirators, did commit, and cause to be committed, acts in the Eastern District of Washington and elsewhere, which included, without limitation, the following:

a. From at least as early as May 2017 until at least December 2017, Defendants' known co-conspirator directed employees to falsify CoAs and violate food safety law by selling and shipping in interstate commerce adulterated and misbranded apple juice concentrate with CoAs accompanying the shipment which misrepresented the arsenic content, including, for example, the following shipments:

DATE	DESCRIPTION OF PRODUCT	ARSENIC CONTENT AND LABELING	INTRODUCTION IN INTERSTATE COMMERCE
On or about July 20, 2017	Bill of Lading number 38315, Purchase Order 2017-00-46846 – approximately 9,986.69 pounds of apple juice concentrate from Lot Number 062417-B3	Test report dated 7/6/17 indicates total arsenic content is 12 ppb. CoA does not list arsenic content.	Shipped from the Eastern District of Washington to the Central District of California
On or about July 24, 2017	Purchase Order 4500283236-2 – approximately 4,089 pounds of apple juice concentrate from Lot number 062217-C5	Test report dated 7/6/17 indicates total arsenic content is 11 ppb. CoA does not list arsenic content.	Shipped from the Eastern District of Washington to the Central District of California
On or about July 25, 2017	Bill of lading 38228, Purchase Order 005062, approximately 42,443.43 pounds of organic apple juice concentrate from Lot Number 062217-C5	Test report dated 7/6/17 indicates total arsenic content is 11 ppb. CoA does not list arsenic content.	From the Eastern District of Washington to Etobicoke, Ontario, Canada
On or about	Bill of lading 3842, Purchase Order 4518216164, approximately 2,920.84	Test report dated 7/6/17 indicates total arsenic content is 11	From the Eastern District of Washington to the

1	August 1, 2017	pounds of organic apple juice concentrate from Lot Number 062217-C5	ppb. CoA does not list arsenic content.	Central District of California
2				
3	On or about August 26, 2017	Bill of lading 38721, Purchase Order 149567, approximately 2,825.76 pounds of apple juice concentrate from Lot Number 062217-C5	Test report dated 7/6/17 indicates total arsenic content is 11 ppb. CoA does not list arsenic content.	From the Eastern District of Washington to the Central District of California
4				
5				
6				
7	On or about September 1, 2017	Bill of lading 38727, Purchase Order 50360, approximately 2,496.67 pounds of apple juice concentrate from Lot Number 070617-C6	Test report dated 7/20/17 indicates total arsenic content is 17 ppb. CoA does not list arsenic content.	From the Eastern District of Washington to the Eastern District of Louisiana
8				
9				
10				
11	On or about September 19, 2017	Bill of lading 38681, Approximately 8114.18 pounds of apple juice concentrate from Lot Number 062217-C5	Test report dated 7/6/17 indicates total arsenic content is 11 ppb. CoA does not list arsenic content.	From the Eastern District of Washington to Chungbuk, South Korea
12				
13				
14	On or about October 19, 2017	Bill of lading 39153, Purchase Order 38536, Approximately 281.62 pounds of apple juice concentrate from Lot Number 062217-C5	Test report dated 7/6/17 indicates total arsenic content is 11 ppb. CoA does not list arsenic content.	From the Eastern District of Washington to the Southern District of Ohio
15				
16	On or about November 27, 2017	Bill of lading 39520, approximately 9,986.69 pounds of apple juice concentrate from Lot Number 070617-C6	Test report dated 7/20/17 indicates total arsenic content is 17 ppb. CoA does not list arsenic content.	From the Eastern District of Washington to the Central District of California
17				
18				
19				
20	On or about December 7, 2017	Bill of lading number 39554, approximately 4,993.34 pounds of apple juice concentrate from Lot Number 070617-C5	Test report dated 7/20/17 indicates total arsenic content is 16 ppb. CoA does not list arsenic content.	From the Eastern District of Washington to the Northern District of Georgia
21				
22				
23				
24				
25				
26				
27				
28				

On or about December 22, 2017	Bill of lading number 39713, Purchase Order 17-3142, approximately 28,161.60 pounds of apple juice concentrate from Lot Number 070617-C5	Test report dated 7/20/17 indicates total arsenic content is 16 ppb. CoA does not list arsenic content.	From the Eastern District of Washington to the District of Kansas
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b. From at least as early as July 30, 2017, until as late as August 2018, Defendants sold and shipped 19 lots of apple concentrate to a customer in the Central District of California. Defendants produced the 19 lots by blending or reworking product from Lot Number 081916-C3, which Defendants originally produced in 2016. Defendants did not test Lot Number 081916-C3 for arsenic until on or about August 27, 2018, at which time the results showed that the samples from Lot Number 081916-C3 contained 26 ppb total arsenic -- above the FDA action level of 10 ppb.

c. From at least as early as approximately 2014 until at least March 2017, Defendants' known co-conspirator directed employees to falsify CoAs regarding patulin testing in apple juice products sold and shipped by VPI. The known co-conspirator directed employees to list patulin testing as "pending" when in fact no testing was conducted, when testing revealed patulin levels above the FDA action level of 50 ppb, or when Defendants never intended to provide, and did not provide, testing results to customers. Defendants' known co-conspirator also directed employees to falsely list patulin results as "<50 ppb" when VPI had not performed patulin testing. For example, the known co-conspirator directed employees to falsify CoAs for adulterated and misbranded products that Defendants shipped and sold in interstate commerce to customers in the following shipments:



<b>DATE</b>	<b>DESCRIPTION</b>	<b>PATULIN TESTING AND LABELING</b>	<b>SALE AND SHIPMENT IN INTERSTATE COMMERCE</b>
On or about April 29, 2015	Sales Order 29863, for 5,800 gallons of apple juice from Lot Number 042915-J4	Analytical test report indicates patulin content of 190 ppb, above FDA action level. CoA lists patulin testing as “pending”	From the Eastern District of Washington to the Central District of California to a customer for use in the USDA’s School Lunch Program
On or about May 1, 2015	Sales Order 29866, for 5,800 gallons of apple juice from Lot Number 050115-J3	Analytical test report indicates patulin content of ~550 ppb, above FDA action level. CoA lists patulin testing as “pending”.	From the Eastern District of Washington to the Central District of California to a customer for use in the USDA’s School Lunch Program
On or about January 11, 2016	Sales Order 32764, for 5,800 gallons of apple juice from Lot Number 011116-J3	Patulin testing not performed. CoA lists patulin testing as “<50 ppb”	From the Eastern District of Washington to a customer in the Central District of California for use in the USDA’s School Lunch Program

d. From at least as early as the fall of 2012 until at least July 2018, Defendants, and their known and unknown co-conspirators, stored and instructed employees to store processed grape juice concentrate at the Grape Road Facility, including in three inadequately-covered concrete tanks (G22, G23, and G24) that were contaminated and adulterated with animal excrement, decaying insect and animals and animal body parts, mold, yeast, rot, and filth.

e. From at least as early as October 29, 2012, until at least June 20, 2019, Defendants, and their known and unknown co-conspirators, stored and

1 instructed employees to store processed grape juice concentrate and grape  
2 “bottoms” in 55-gallon drums stored for years at ambient temperatures and  
3 conditions outside the Blaine Avenue Facility, including on a concrete pad under a  
4 “carport” between two freezer buildings, and in other unprotected outdoor areas.  
5 The drums stored outside developed contamination in the form of yeast, mold, rot,  
6 and other deleterious substances, rendering them adulterated. Many of these drums  
7 were not properly sealed and were not fenced, enclosed, or otherwise protected  
8 from access by people, animals, or other contaminants. Some product in these  
9 drums was produced as early as 2011. From as early as fall 2012 until at least June  
10 20, 2019, Defendants, and their known and unknown conspirators, instructed  
11 employees to “rework” or blend these juice products to fill orders and ship to  
12 customers in interstate commerce, thus concealing the age, adulteration, and  
13 inferior and unsafe condition of the product.  
14

15 f. From approximately 2014 until at least May 2019, Defendants,  
16 and their known and unknown co-conspirators, stored and instructed employees to  
17 store processed juice products in the Briner Building Facility for years in 55-gallon  
18 drums, which became and were contaminated and adulterated with yeast, mold, rot,  
19 and other deleterious substances, rendering them adulterated.

20 g. Between at least the fall of 2012 and May 2018, Defendants,  
21 and their known and unknown co-conspirators, with the intent to defraud and  
22 mislead, failed to register and disclose, as required by law, and affirmatively  
23 concealed the Grape Road Facility from FDA. Defendants further failed to  
24 disclose the material fact that hundreds of thousands of gallons of adulterated  
25 grape juice concentrate were being held at the Grape Road Facility in unsafe and  
26 insanitary conditions, and intended ultimately to be sold, shipped, and used as  
27 human food.  
28

1           h.     Between at least January 2013 and June 20, 2019, Defendants,  
2 and their known and unknown co-conspirators, routinely “blended” old, inferior,  
3 adulterated, and contaminated product, including, but not limited to, product stored  
4 at the Grape Road Facility, at and outside the Blaine Avenue Facility, and in the  
5 Briner Building Facility, with newer product to mask its age, contamination,  
6 adulteration, and poor quality. The product stored at these locations was  
7 adulterated because it had high yeast, high mold, and high bacteria counts such that  
8 it was unsafe and unfit for human consumption. Each time that Defendants  
9 blended this adulterated product with newer product, the resulting blended product  
10 became adulterated. Defendants, with the intent to defraud and mislead,  
11 nonetheless sold and shipped in interstate commerce the adulterated product to  
12 unsuspecting customers, including for use in the USDA’s School Lunch Program.  
13 Defendants, and their known and unknown co-conspirators, with the intent to  
14 defraud and mislead, misbranded the “blended” products by assigning them lot  
15 numbers and production dates that corresponded to the blending date rather than  
16 the true, original date of production, to conceal the products’ age, adulteration, and  
17 inferiority.  
18

19           i.     On or about October 29, 2012, Defendants, and their known  
20 and unknown co-conspirators, drew grape juice concentrate from Crop Year 2012  
21 from Tank C2 located at the Blaine Avenue Facility and transported it to Tank  
22 USG2 located at the Grape Road Facility for long term storage for later use in  
23 selling and shipping the concentrate as food in interstate commerce. In this  
24 manner, Defendants, and their known and unknown co-conspirators, stored at least  
25 115,043 gallons of grape juice concentrate from Crop Year 2012 in Tank USG2.  
26

27           j.     In the fall of 2013, Defendants, and their known and unknown  
28 co-conspirators, drew grape juice concentrate from the Blaine Avenue Facility and  
transported it to Tank USG1 at the Grape Road Facility for long term storage with

1 the intent to later sell and ship the concentrate as food in interstate commerce. In  
2 this manner, Defendants, and their known and unknown co-conspirators, stored at  
3 least 153,000 gallons of grape juice concentrate from Crop Year 2013 in Tank  
4 USG1.

5 k. Between fall 2012 and fall 2014, Defendants, and their known  
6 and unknown co-conspirators, transported tens of thousands of gallons of grape  
7 juice concentrate from Crop Years 2012, 2013, and 2014 to concrete tanks G22,  
8 G23, and G24, located at the Grape Road Facility, for holding and storage for  
9 eventual use in selling and shipping in interstate commerce the adulterated  
10 concentrate as human food.

11 l. Between fall 2012 and June 2018, Defendants, and their known  
12 and unknown co-conspirators, stored hundreds of thousands of gallons of grape  
13 juice concentrate from Crop Years 2012, 2013, and 2014 at the Grape Road  
14 Facility in Tanks USG1, USG2, G22, G23, and G24, for the purpose of eventually  
15 selling and shipping in interstate commerce the adulterated concentrate as human  
16 food.

17 m. Between at least 2014 and until at least June 20, 2019,  
18 Defendants, and their known and unknown co-conspirators, instructed employees  
19 not to dispose of contaminated, adulterated, moldy, old, rotten, or unfit processed  
20 juice products, regardless of the condition of the product. Instead, Defendants, and  
21 their known and unknown co-conspirators, directed employees to store old, moldy,  
22 rotten, contaminated, putrid, filthy adulterated, and unsafe product for eventual  
23 “rework,” re-pasteurization, or “blending.”

24 n. Starting at a date unknown but between at least fall 2012 and  
25 May 2018, Defendants, and their known and unknown co-conspirators, held and  
26 stored product at the Grape Road Facility with no HACCP plan and little, if any,  
27 sanitation whatsoever. FDA testing confirmed that the Grape Road Facility and  
28

1 product stored there was contaminated with live and dead rodents, birds, and  
2 insects. The open and exposed concrete tanks and the juice contained therein was  
3 contaminated with, among other things, thick mold, animal remains, rodent excreta  
4 pellets, other animal feces, and feathers. The layer of mold and crust at the top of  
5 the grape juice concentrate was so thick and hard that FDA investigators observed  
6 a rodent walking across it.

7           o. On or about January 12, 2016, during an FDA inspection,  
8 Defendant MARY ANN BLIESNER falsely told FDA investigators that VALLEY  
9 PROCESSING consisted of three main processing plants numbered 1, 2, and 3,  
10 and several storage buildings and outside areas, all located at 108 Blaine Avenue,  
11 as well as three frozen storage buildings located nearby. Defendant MARY ANN  
12 BLIESNER did not disclose, and affirmatively concealed, the Grape Road Facility  
13 and Briner Building as food storage areas, despite knowing at that time that  
14 Defendants were storing hundreds of thousands of gallons of grape juice  
15 concentrate at the Grape Road Facility.

16           p. Between at least 2013 and May 2019, Defendants, and their  
17 known and unknown co-conspirators, “reworked” and directed employees to  
18 “rework” old grape “bottoms” contaminated with mold and filth. Many of these  
19 grape “bottoms” were stored in 55-gallon drums at ambient temperatures in unsafe  
20 conditions for multiple years. Defendants, and their known and unknown co-  
21 conspirators, added water to the “bottoms,” pumped the rehydrated “bottoms” out  
22 of the drums into a storage tank, and then decanted and re-pasteurized the resulting  
23 mixture. This process produced additional adulterated and misbranded juice  
24 concentrate for Defendants to fraudulently sell. Defendants then fraudulently  
25 assigned a new production date and lot number to the resulting product, to falsely  
26 make it appear as though it was new product and so that Defendants could sell the  
27 product to unsuspecting customers.  
28

1           q.     Between at least October 2012 and May 2019, Defendants, and  
2 their known and unknown co-conspirators, assigned lot numbers to products and  
3 their labels which reflected the date on which the product was produced and the  
4 storage location at VPI's facilities. For example, a lot of grape juice concentrate  
5 produced on May 25, 2013, and stored in Tank C6 at the Blaine Avenue Facility  
6 had a Lot Number 052513-C6. Between at least January 2016 and May 2019,  
7 Defendants, and their known and unknown co-conspirators, blended or "reworked"  
8 old grape juice products into a new lot, fraudulently assigned a new lot number to  
9 conceal the true age of the older lot used. Defendants did not appropriately track  
10 which lots were blended or reworked to create new lots, which prevented FDA  
11 personnel, VPI, and third parties from tracing products to the original lots or  
12 products from which they were derived.  
13

14           r.     Between at least June 2014 and December 2017, Defendants,  
15 and their known and unknown co-conspirators, instructed employees to provide  
16 false and misleading CoAs to customers to conceal the true amount of yeast in  
17 grape juice concentrate they sold. For example, on or about June 2, 2014,  
18 Defendants' test results for Lot 060214-C5 of grape juice concentrate showed a  
19 yeast count of 700 colony forming units (CFU)/mL. On or about June 13, 2014,  
20 Defendants' test results for Lot 061314-C6 of grape juice concentrate showed a  
21 yeast count of 210 CFU/mL. However, Defendants' known co-conspirator  
22 instructed employees to "list yeast as less than 100" to defraud and mislead  
23 Defendants' customers.  
24

25           s.     On or about the dates set forth below, Defendants, and their  
26 known and unknown co-conspirators, shipped and directed employees to ship the  
27 following Concord grape juice concentrate with false and fraudulent CoAs to  
28 customers misrepresenting the yeast testing:



Lot Code	Production Date	Shipping Date	Yeast Count Per Test Results	Result Defendants Fraudulently Listed on CoA
070516-C6	July 5, 2016	July 5, 2016	Too numerous to count (TNTC)	<1,000 CFU/mL
040417-C1	April 4, 2017	April 5, 2017	2824	Pending
040517-20K	April 5, 2017	April 6, 2017	2047	Pending
041017-20K	April 10, 2017	April 11, 2017	1342, 1483	Pending

t. Between on or about April 26, 2018, and April 30, 2018, Defendants MARY ANN BLIESNER and VALLEY PROCESSING INC., and their known and unknown co-conspirators, produced Lot Number 050218-C6 of Concord grape juice concentrate. On or about May 2, 2018, Defendants and their known and unknown co-conspirators placed the resulting product into 240 55-gallon drums. To produce Lot Number 050218-C6, Defendants MARY ANN BLIESNER and VALLEY PROCESSING INC., and their known and unknown co-conspirators, “reworked” hundreds of drums of grape “bottoms” from 22 different lot codes from production years 2011 through 2016, including, but not limited to, the following lot codes: 114 drums from Lot Number 080315-C5, produced on or about August 3, 2015; 40 drums from Lot Number 101414-C2, produced on or about October 14, 2014, and stored outside the Blaine Avenue Facility at ambient temperatures for approximately three and a half years; and four drums from 102712-C2, produced on or about October 27, 2012, and stored outside the Blaine Avenue Facility at ambient temperatures for approximately five and a half years. On or about May 8, 2018, six days after Lot Number 050218-C6 was produced, FDA investigators took samples from what remained of three of the lots used to produce Lot Number 050218-C6. Testing confirmed that the lots had fermentation-type odors, budding yeast, fungal mats, live mold, and insects.

1 Defendants MARY ANN BLIESNER and VALLEY PROCESSING INC., and  
2 their known and unknown co-conspirators, then fraudulently assigned a new  
3 production date of May 2, 2018, and a new lot number, 050218-C6, to conceal the  
4 age and poor quality of the product. Defendants MARY ANN BLIESNER and  
5 VALLEY PROCESSING INC., and their known and unknown co-conspirators,  
6 stored the resulting unsafe product in Cooler CA3, labeled it “Settling/Blending” to  
7 allow the adulterated product to settle and then blend it in with newer product to  
8 ship and send as grape juice concentrate.

9  
10 u. On or about March 5, 2018, and again on or about March 6,  
11 2018, Defendants VALLEY PROCESSING, INC. and MARY ANN BLIESNER,  
12 and their known and unknown co-conspirators, transferred two tankers of grape  
13 juice from Crop Year 2012 containing approximately 105,100 pounds of grape  
14 juice concentrate from the Grape Road Facility to the Blaine Avenue Facility.  
15 Before transporting the grape juice concentrate, Defendants VALLEY  
16 PROCESSING, INC. and MARY ANN BLIESNER, and their known and  
17 unknown co-conspirators, had stored this grape juice concentrate for years in  
18 inadequately-covered concrete tank G24 at the Grape Road Facility. Defendants,  
19 VALLEY PROCESSING, INC. and MARY ANN BLIESNER, and their known  
20 and unknown co-conspirators directed employees to “rework” this adulterated juice  
21 product by adding water and then re-concentrating it and placing it into  
22 approximately 144 55-gallon drums. Defendants, VALLEY PROCESSING, INC.  
23 and MARY ANN BLIESNER, and their known and unknown co-conspirators did  
24 not filter, decant, or even re-pasteurize the grape juice concentrate before placing it  
25 into drums. Defendants, VALLEY PROCESSING, INC. and MARY ANN  
26 BLIESNER, and their known and unknown co-conspirators then fraudulently  
27 reassigned these 144 drums with a production date of March 7, 2018, and a new  
28 Lot Number 030718-C2 to hide the age and adulteration of the product.

1 Defendants VALLEY PROCESSING, INC. and MARY ANN BLIESNER, and  
2 their known and unknown co-conspirators, labeled the product “for blending” to  
3 further conceal the age and adulteration of the product and stored the drums  
4 outside the Blaine Avenue Facility at ambient temperatures and conditions for use  
5 in future grape juice concentrate lots. Defendants VALLEY PROCESSING, INC.  
6 and MARY ANN BLIESNER, and their known and unknown co-conspirators,  
7 added the resulting product at Lot Number 030718-C2 to VALLEY  
8 PROCESSING’s inventory database with a misleading and fraudulent production  
9 date of March 7, 2018, to conceal that the product was actually produced in 2012  
10 and stored for years in an open-top concrete tank G24 at the Grape Road Facility.  
11

12 v. Just two months later, on or about May 9, 2018, after FDA learned of  
13 the Grape Road Facility, FDA investigators sampled the juice concentrate  
14 remaining in tank G24 at the Grape Road Facility, which had been stored for years  
15 in the same storage tank as the product that Defendants transferred to the Blaine  
16 Avenue Facility to make Lot Number 030718-C2. FDA’s testing confirmed that  
17 the concentrate in tank G24 contained fermentation, budding yeast, and filth,  
18 including rodent hair, dog and cat hair, a feather barbule, and decaying insects. On  
19 or about May 16, 2018, FDA investigators confirmed through testing at least 29  
20 rodent excreta pellets in the immediate surrounding areas adjacent to tank G24,  
21 which was partially covered by a tarp and otherwise exposed to the environment.  
22

23 w. On or about March 9, 2018, Defendants VALLEY PROCESSING,  
24 INC. and MARY ANN BLIESNER, and their known and unknown co-  
25 conspirators, created grape juice concentrate Lot Number 030918-C6 by blending:

- 26 i. 80 drums of Concord grape juice concentrate, Lot Number  
27 110117-20K, pasteurized and produced on or about  
28 November 1, 2017, and then subsequently stored outside the

1 Blaine Avenue Facility in ambient conditions for at least  
2 four months;

3 ii. 8 drums of Concord grape juice concentrate, Lot Number  
4 103017-C1, pasteurized and produced on or about October  
5 20, 2017, and then subsequently stored outside the Blaine  
6 Avenue Facility in ambient conditions for at least four  
7 months; and

8 iii. Grape juice concentrate pumped from tank G18, which had  
9 been pasteurized and produced in 2015, and subsequently  
10 stored for approximately two and a half years.  
11

12 Defendants VALLEY PROCESSING, INC. and MARY ANN BLIESNER, and  
13 their known and unknown co-conspirators, did not even re-pasteurize the  
14 adulterated blended product before placing it in drums and fraudulently assigned a  
15 production date of March 9, 2018, to hide the product's age, adulteration, and  
16 inferiority. On or about March 14, 2018, Defendants VALLEY PROCESSING,  
17 INC. and MARY ANN BLIESNER, and their known and unknown co-  
18 conspirators, sold and shipped resulting Lot Number 030918-C6 from the Eastern  
19 District of Washington to a juice company located in Ludington, Michigan, in the  
20 Western District of Michigan.  
21

22 x. On or about April 30, 2018, during an FDA inspection, when FDA  
23 investigators asked where finished products were stored, Defendant MARY ANN  
24 BLIESNER described the storage locations at the Blaine Avenue Facility and  
25 stated that all of VALLEY PROCESSING's juice products were stored "on-site,"  
26 within two to three blocks of the Blaine Avenue Facility, and the buildings were  
27 "all connected". Defendant MARY ANN BLIESNER made these false and  
28 fraudulent statements to conceal from FDA the Grape Road Facility.

1 y. On or about May 2, 2018, during an FDA inspection, when FDA  
2 investigators asked Defendants VALLEY PROCESSING, INC. and MARY ANN  
3 BLIESNER whether they were blending old, contaminated, or poor-quality  
4 product, including product stored in drums outside the Blaine Avenue Facility,  
5 with newer product and assigning new lot numbers to the blended product,  
6 Defendant MARY ANN BLIESNER falsely and fraudulently stated, “We don’t  
7 use those; we haven’t done that, no.” Defendant MARY ANN BLIESNER knew  
8 her statements were false and made them with the intent to defraud and mislead  
9 and obstruct the FDA’s inspection. In fact, at the time she made these statements,  
10 Defendant MARY ANN BLIESNER knew that days before, Defendants VALLEY  
11 PROCESSING, INC. and MARY ANN BLIESNER, and their known and  
12 unknown co-conspirators, had blended old product stored outside the Blaine  
13 Avenue Facility with other product to create a new lot number.  
14

15 z. On or about May 2, 2018, during an FDA inspection, when FDA  
16 investigators, who had learned about the Grape Road Facility from confidential  
17 sources, asked about the Grape Road Facility, Defendant MARY ANN  
18 BLIESNER falsely and fraudulently stated, “I don’t know anything about anything  
19 up there.” Defendant MARY ANN BLIESNER further falsely and fraudulently  
20 stated that the buildings at the Grape Road Facility were “unsafe,” “off-limits,”  
21 that it had been at least three years since it had been safe to enter the Grape Road  
22 Facility buildings, and that they were “not going to be used.” Defendant MARY  
23 ANN BLIESNER knew that these statements were false and made them to defraud  
24 and mislead the FDA and obstruct the FDA’s inspection. Defendants VALLEY  
25 PROCESSING, INC. and MARY ANN BLIESNER, and their known and  
26 unknown co-conspirators, were, in fact, using the Grape Road Facility to store  
27 product and were blending and reworking the product stored at the facility with  
28



1 other product to conceal the age and inferiority of the product stored at the Grape  
2 Road Facility and with the intent to ship and sell the resulting adulterated product  
3 in interstate commerce.

4       aa. On or about May 2, 2018, during an FDA inspection, Defendant  
5 MARY ANN BLIESNER falsely and fraudulently stated to FDA investigators,  
6 who had recently learned of the Grape Road Facility and were attempting to  
7 inspect it, “We are not going to use it [product stored at the Grape Road Facility]”.  
8 Defendant MARY ANN BLIESNER did not disclose, and affirmatively concealed,  
9 that less than two months earlier, Defendants VALLEY PROCESSING, INC. and  
10 MARY ANN BLIESNER, and their known and unknown co-conspirators,  
11 transferred over 105,000 pounds of adulterated grape juice concentrate stored in  
12 concrete tank G24 at the Grape Road Facility to the Blaine Avenue Facility  
13 “rework” and blending with the intent to sell and ship the resulting adulterated  
14 product to customers, as alleged in Paragraphs 56(t) & (u).  
15

16       bb. On or about May 2, 2018, during an FDA inspection, Defendant  
17 MARY ANN BLIESNER instructed two known co-conspirators to place caution  
18 tape in and around the entrance and stairs leading to the concrete tanks G22, G23,  
19 and G24 at the Grape Road Facility in order to deter, prevent, and obstruct FDA  
20 investigators from accessing, observing, and sampling, those tanks and the  
21 fermented, moldy, rotten, insanitary, and adulterated product they contained as  
22 well as the filthy, putrid, and decomposed substances, including visible mold,  
23 animal urine and feces, and decomposing remains of birds, rodents, and insects, in  
24 and around those tanks.  
25

26       cc. On or about May 2, 2018, during an FDA inspection, Defendant  
27 MARY ANN BLIESNER falsely and fraudulently stated to FDA investigators that  
28 VALLEY PROCESSING did not use juice product that had been stored outside the

1 Blaine Avenue Facility in any products sold to customers. On or about the same  
2 day, Defendant MARY ANN BLIESNER falsely and fraudulently stated to FDA  
3 investigators that juice products stored at the Grape Road Facility and outside the  
4 Blaine Avenue Facility were not listed in VALLEY PROCESSING's inventory  
5 system and therefore were not used to fill customer orders.

6 dd. On or about February 20, 2019, Defendants VALLEY  
7 PROCESSING, INC. and MARY ANN BLIESNER, and their known and  
8 unknown co-conspirators, directed employees to blend 109 drums of Concord  
9 grape concentrate, Lot Number 022019-20K, using 33 different lots to make the  
10 blended product, and fraudulently assigned a false production date of February 20,  
11 2019. At least 13 of the 33 lots used to make the blended product had a history of  
12 storage in 55-gallon drums outside the Blaine Avenue Facility in outdoor, ambient  
13 conditions. Most of these 33 lots were last processed and placed in drums between  
14 2015 and 2018. Two of the 33 lots used to make Lot Number 022019-20K were  
15 last processed and placed in drums in September 2015, approximately three-and-a-  
16 half years earlier and were subsequently stored at the Grape Road Facility before  
17 Defendants VALLEY PROCESSING, INC. and MARY ANN BLIESNER, and  
18 their known and unknown co-conspirators, directed employees to use them to  
19 make Lot Number 022019-20K. Defendants VALLEY PROCESSING, INC. and  
20 MARY ANN BLIESNER, and their known and unknown co-conspirators, did not  
21 even re-pasteurize the blended adulterated product prior to sale and shipment.  
22 Defendants VALLEY PROCESSING, INC. and MARY ANN BLIESNER, and  
23 their known and unknown co-conspirators, sold and shipped the blended product  
24 on or about March 22, 2019, March 29, 2019, April 12, 2019, and April 26, 2019,  
25 each such shipment being a separate overt act in furtherance of the conspiracy.  
26  
27  
28

1 ee. Between on or about May 6, 2019, and May 8, 2019, Defendants  
2 VALLEY PROCESSING, INC. and MARY ANN BLIESNER, and their known  
3 and unknown co-conspirators, directed employees to “rework” drums of grape  
4 “bottoms” from “consolidation lots” that were produced and placed into drums on  
5 four different dates between May 2015 and February 2019. Each drum consisted  
6 of “bottoms” made from multiple lots with earlier production dates corresponding  
7 to the date on which the “consolidation lots” were placed into drums. Defendants  
8 VALLEY PROCESSING, INC. and MARY ANN BLIESNER, and their known  
9 and unknown co-conspirators, blended the drums of grape “bottoms” with 148  
10 drums of a lot of grape juice concentrate which Defendants had produced four and  
11 a half years before on or about October 20, 2014. 150 of the 152 drums that were  
12 blended to produce this new lot had a history of outdoor storage outside the Blaine  
13 Avenue Facility at ambient temperatures and conditions. Defendants VALLEY  
14 PROCESSING, INC. and MARY ANN BLIESNER, and their known and  
15 unknown co-conspirators, fraudulently assigned the resulting lot with a production  
16 date of May 8, 2019, and a new lot number, 050819-C2, to hide the age,  
17 adulteration, and inferiority of the product.

18 All in violation of 18 U.S.C. § 371 and 21 U.S.C. §§ 331(a) 333(a)(2),  
19 342(a)(1), (a)(3), (a)(4), (b)(3), and (b)(4).  
20

### 21 COUNTS 2-3

22 57. Paragraphs 1 through 56 are hereby realleged and incorporated by  
23 reference as if set forth in full herein.

24 58. On or about the dates set forth below, within the Eastern District of  
25 Washington and elsewhere, Defendants VALLEY PROCESSING, INC. and  
26 MARY ANN BLIESNER, with the intent to defraud and mislead, delivered for  
27 introduction, and caused the delivery for introduction, from the Eastern District of  
28

Washington into interstate commerce, food, as described below, which was adulterated as defined in 21 U.S.C. § 342, in that:

- a. It had been prepared, packed, and held under insanitary conditions whereby it may have been rendered injurious to health;
- b. It consisted in part of filthy, putrid, and decomposed substances, and was otherwise unfit for food;
- c. Damage and inferiority had been concealed;
- d. It bore and contained deleterious substances, which might render it injurious to health; and
- e. Substances had been added thereto and mixed and packed therewith so as to make the juice appear better and of greater value than it was.

COUNT	DATE	DESCRIPTION	INTRODUCTION IN INTERSTATE COMMERCE
2	On or about March 14, 2018	Sales Order 40547, Purchase Order 82344, Invoice 40380 - one tanker consisting of approximately 4,394 gallons of grape juice concentrate, Lot Number 030918-C6, created on or about March 9, 2018 by blending together: (a) 80 55-gallon drums of Concord grape juice, lot number 110117-20K, pasteurized and produced on November 1, 2017, then stored outside the Blaine Avenue Facility; (b) 8 drums of Concord grape juice concentrate from lot number 103017-C1, pasteurized and produced on October 20, 2017, then stored outside the Blaine Avenue Facility; and (c) grape juice concentrate from tank G18, pasteurized and produced sometime in 2015. Lot Number 030918-C6 was adulterated because (1) it was prepared, packed, or held under insanitary conditions	Shipped from the Eastern District of Washington to the Western District of Michigan

		whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health; (2) it consisted in part of filthy, putrid, and decomposed substances, and was otherwise unfit for food; (3) it bore and contained deleterious substances, which might render it injurious to health; (4) its damage and inferiority were concealed; and (5) substances were added thereto and mixed and packed therewith so as to make it appear better and of greater value than it is, all in violation of 21 U.S.C. §§ 342(a)(1), (a)(3), (a)(4), (b)(3), and (b)(4).	
3	On or about March 13, 2018	Sales Order 40528, Purchase Order 82343, Invoice 40375. One tanker containing approximately 4,239 gallons of grape juice concentrate in Lot Number 030918-C6, created on or about March 9, 2018 by blending together: (a) 80 55-gallon drums of Concord grape juice, lot number 110117-20K, pasteurized and produced on November 1, 2017, then stored outside the Blaine Avenue Facility; (b) 8 drums of Concord grape juice concentrate from lot number 103017-C1, pasteurized and produced on October 20, 2017, then stored outside the Blaine Avenue Facility; and (c) grape juice concentrate from tank G18, pasteurized and produced sometime in 2015. Lot Number 030918-C6 was adulterated because (1) it was prepared, packed, or held under insanitary conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health; (2) it consisted in part of filthy, putrid, and decomposed substances, and was otherwise unfit for food; (3) it bore and contained deleterious substances, which	Shipped from the Eastern District of Washington to the Western District of Michigan



		might render it injurious to health; (4) its damage and inferiority were concealed; and (5) substances were added thereto and mixed and packed therewith so as to make it appear better and of greater value than it is, all in violation of 21 U.S.C. §§ 342(a)(1), (a)(3), (a)(4), (b)(3), and (b)(4).	
--	--	--	--

All in violation of 21 U.S.C. §§ 331(a), 333(a)(2), 342(a)(1), (a)(3), (a)(4), (b)(3), and (b)(4).

#### **COUNT 4**

59. Paragraphs 1 through 58 are hereby realleged and incorporated by reference as if set forth in full herein.

60. Between no later than on or about October 29, 2012, and continuing through at least on or about May 2, 2018, within the Eastern District of Washington and elsewhere, Defendants MARY ANN BLIESNER and VALLEY PROCESSING, INC., with the intent to defraud and mislead, failed to register the food facility they operated at 130 U.S. Grape Road, Sunnyside, Washington (the Grape Road Facility) as required by 21 U.S.C. § 350d, in violation of 21 U.S.C. §§ 331(dd) and 333(a)(2).

#### **COUNT 5**

61. Paragraphs 1 through 60 are hereby realleged and incorporated by reference as if set forth in full herein.

62. Between no later than on or about January 1, 2015, and continuing through at least on or about June 20, 2019, within the Eastern District of Washington and elsewhere, Defendants MARY ANN BLIESNER and VALLEY PROCESSING, INC., with the intent to defraud and mislead, failed to register the food facility they operated at 105 South First Street, Sunnyside, Washington (the

1 Briner Building Facility), as required by 21 U.S.C. § 350d, in violation of 21  
2 U.S.C. §§ 331(dd) and 333(a)(2).

3 **COUNT 6**

4 63. Paragraphs 1 through 62 are hereby realleged and incorporated by  
5 reference as if fully set forth herein.

6 64. From on or about December 7, 2015, and continuing through on or  
7 about June 20, 2019, in the Eastern District of Washington and elsewhere,  
8 Defendants, MARY ANN BLIESNER and VALLEY PROCESSING., INC., and  
9 other persons both known and unknown to the grand jury, knowingly and willfully  
10 conspired and agreed together to defraud the United States of and concerning its  
11 government functions and rights, hereinafter described, that is:

12 (a) of and concerning its right to have its business and its affairs, and  
13 particularly the transaction of the official business of the FDA, conducted honestly  
14 and impartially, free from corruption, fraud, improper and undue influence,  
15 dishonesty, unlawful impairment, and obstruction;

16 (b) of and concerning its right to have its officers and employees, and  
17 particularly the personnel of the FDA, free to transact the official business of the  
18 United States unhindered, unhampered, unobstructed, and unimpaired by the  
19 exertion upon them of dishonest, corrupt, unlawful, improper, and undue pressure  
20 and influence; and

21 (c) of and concerning its right and governmental function of the FDA  
22 through and by means of its officers and employees in the FDA to inspect,  
23 regulate, and transact official business with Defendants MARY ANN BLIESNER  
24 and VALLEY PROCESSING, INC. unhindered, unhampered, unobstructed, and  
25 unimpaired by the exertion upon such officers and employees of dishonest,  
26 unlawful, corrupt, improper, and undue pressure and influence.  
27  
28

Manner and Means of the Conspiracy

65. Paragraphs 1 through 64 of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein.

66. As further set forth in paragraphs 1 through 64 above, it was a part of the conspiracy that Defendants would by deceit, craft, trickery and dishonest means, to defraud the United States by interfering with and obstructing the lawful governmental functions of the FDA, in that Defendants would:

- a. Fail to disclose and register, and knowingly conceal and deny the existence of, Defendants' use of the Grape Road Facility to store grape juice concentrate for years for the eventual sale and shipment to customers;
- b. Fail to disclose and register, and knowingly conceal, the existence and Defendants' use of the Briner Building Facility to store grape juice concentrate for years for the eventual sale and shipment to customers;
- c. Knowingly falsify CoAs to make it appear as though Defendants' products complied with FDA standards and food safety law when they did not;
- d. "Blend" and "rework" old, adulterated, unsafe, and unfit for consumption product into other product, and then falsely and fraudulently assign a new production date and Lot Number to hide the older product's age and inferiority;
- e. Falsely and fraudulently deny during FDA inspections that product stored outside the Blaine Avenue Facility in ambient conditions was intended for eventual use in the processing, sale, and shipment of juice products to customers, and instead falsely stated that the product would not be used;

- 1 f. Falsely and fraudulently deny during FDA inspections that the  
2 Grape Road Facility was being used to store product for eventual  
3 sale and shipment to customers;  
4 g. Make other false and fraudulent representations during FDA  
5 inspections regarding VALLEY PROCESSING INC.'s processes,  
6 practices, and procedures, in order to conceal Defendants'  
7 violation of food safety law and regulation, and Defendants'  
8 shipment and sale in interstate commerce of adulterated and  
9 misbranded food.

10  
11 Overt Acts in Furtherance of the Conspiracy

12 67. Paragraphs 1 through 66 of this Indictment are hereby realleged and  
13 incorporated by reference as if set forth in full herein.

14 68. In furtherance of the conspiracy and to effect its objects, the overt acts  
15 included, without limitation, those set forth in Paragraph 56 and were committed in  
16 the Eastern District of Washington and elsewhere.

17 All in violation of 18 U.S.C. § 371.

18 COUNTS 7-9

19 69. Paragraphs 1 through 68 are hereby realleged and incorporated by  
20 reference as if set forth in full herein.

21 70. On or about the dates set forth below, in the Eastern District of  
22 Washington, Defendants MARY ANN BLIESNER and VALLEY PROCESSING,  
23 INC., did willfully and knowingly make a materially false, fictitious, and fraudulent  
24 statement and representation in a matter within the jurisdiction of the executive  
25 branch of the Government of the United States, when in truth and fact, she knew all  
26 such statements to be false, when, to wit:  
27  
28

COUNT	DATE	DESCRIPTION
7	On or about April 30, 2018	During an FDA inspection, when FDA investigators asked where finished products were stored, Defendants MARY ANN BLIESNER and VALLEY PROCESSING, INC. described the storage locations at the Blaine Avenue Facility and stated that all VALLEY PROCESSING INC.'s juice products were stored "on-site", within two to three blocks of the Blaine Avenue Facility, and was "all connected"; when in fact Defendants knew that Defendants were unsafely and improperly storing grape juice concentrate in significant quantities at the undisclosed and unregistered Grape Road Facility approximately three miles from the Blaine Avenue Facility as well as at the undisclosed and unregistered Briner Building.
8	On or about May 2, 2018	During an FDA inspection, when FDA investigators asked Defendants whether they were blending old, contaminated, or poor-quality product, including product stored in drums outside the Blaine Avenue Facility, with newer product and producing new lot numbers with it, Defendants MARY ANN BLIESNER and VALLEY PROCESSING, INC. falsely and fraudulently stated, "We don't use those, we haven't done that, no"; when, in fact, Defendants knew that Defendants and their known and unknown co-conspirators were routinely blending old, contaminated, and poor-quality product, including product stored in drums at ambient conditions outside the Blaine Avenue Facility, with other product, and



		fraudulently assigning false production dates and new lot numbers to the resulting product.
9	On or about May 2, 2018	During an FDA inspection, when FDA investigators, who had learned about the Grape Road Facility from confidential sources, asked about the Grape Road Facility, Defendants MARY ANN BLIESNER and VALLEY PROCESSING, INC. falsely and fraudulently stated “I don’t know anything about anything up there.” Defendants MARY ANN BLIESNER and VALLEY PROCESSING, INC. further falsely and fraudulently stated that the buildings at the Grape Road Facility were “unsafe”, “off-limits”, and that it had been at least three years since it had been safe to enter the Grape Road Facility buildings. Defendants made these false and fraudulent statements about the Grape Road Facility when, in fact, Defendants knew that they, and their known and unknown co-conspirators, were actively using the undisclosed and unregistered Grape Road Facility to store product and, less than two months before, had transferred over 105,000 pounds of grape juice concentrate that had been stored at the Grape Road Facility in an insanitary and filth- and excrement- contaminated open-top tank for years to the Blaine Avenue facility for rework and blending into new production dates and lot numbers so that it could be sold and shipped to customers.

all in violation of 18 U.S.C. § 1001(a)(2).

1 COUNT 10

2 71. Paragraphs 1 through 70 of this Indictment are hereby realleged and  
3 incorporated by reference as if fully set forth herein.

4 72. Beginning no later than on or about October 29, 2012, and continuing  
5 until at least on or about June 20, 2019, in the Eastern District of Washington and  
6 elsewhere, Defendants VALLEY PROCESSING, INC., MARY ANN BLIESNER,  
7 and other persons both known and unknown to the grand jury, knowingly and  
8 willfully conspired and agreed together to devise and intended to devise a scheme  
9 and artifice to defraud customers and obtain money by means of false and fraudulent  
10 pretenses, representations, and promises, and for the purpose of executing the  
11 scheme and artifice and attempting to do so, deposited and caused to be deposited  
12 matters and things to be sent and delivered by private and commercial interstate  
13 carrier in violation of 18 U.S.C. § 1341.

14 Object of the Conspiracy

15 73. The object of the conspiracy was to, among other things, defraud  
16 Defendant VALLEY PROCESSING INC.'s customers and obtain money by means  
17 of false and fraudulent pretenses, representations, and promises concerning the age,  
18 quality, fitness, safety, adulteration, and suitability of Defendants' juice products  
19 and Defendants' compliance with food safety law.

20 Manner and Means of the Conspiracy

21 74. The manner and means of the conspiracy are set forth in Paragraphs 36  
22 through 55 and incorporated by reference herein. As alleged in Paragraphs 36  
23 through 55, Defendants and other persons both known and unknown to the grand  
24 jury deposited, caused to be deposited, and attempted to deposit or cause to be  
25 deposited, adulterated, and misbranded juice products containing CoAs with false  
26 and fraudulent production dates to be sent and delivered by private and commercial  
27  
28

interstate carriers to customers outside Washington state. All in violation of 18 U.S.C. §§ 1341 and 1349.

**COUNTS 11 and 12**

75. Paragraphs 1 through 74 of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein.

76. On or about the dates set forth below, in the Eastern District of Washington and elsewhere, Defendants VALLEY PROCESSING, INC. and MARY ANN BLIESNER, with the intent to defraud, devised and willfully participated in, with knowledge of its fraudulent nature, a scheme and artifice to defraud and obtain money by materially false and fraudulent pretenses, representations, and promises.

77. For example, on or about the dates set forth below, in the Eastern District of Washington, for the purpose of executing and attempting to execute the above-referenced scheme to defraud, Defendants VALLEY PROCESSING, INC. and MARY ANN BLIESNER knowingly deposited and caused to be deposited matters and things, that is, CoAs with false and fraudulent production dates, CoAs and bills of lading, and adulterated fruit products, sent and delivered by private and commercial interstate carrier, that is, Idaho Milk, for the following lot numbers, each shipment constituting a separate count:

Count	Date	Lot No.	Carrier	Destination
11	On or about March 13, 2018	030918-C6	Idaho Milk	Western District of Michigan
12	On or about March 14, 2018	030918-C6	Idaho Milk	Western District of Michigan

All in violation of 18 U.S.C. § 1341.

## 1 NOTICE OF FORFEITURE ALLEGATIONS

2 The allegations contained in this Indictment are hereby re-alleged and  
3 incorporated herein by this reference for the purpose of alleging forfeiture.

4 Pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), upon  
5 conviction of an offense(s) in violation of 18 U.S.C. §§ 1341, 1349, Conspiracy to  
6 Commit Mail Fraud, and/or 18 U.S.C. § 1341, Mail Fraud, as alleged in this  
7 Indictment, Defendants, MARY ANN BLIESNER and VALLEY PROCESSING,  
8 INC, shall forfeit to the United States of America any property, real or personal,  
9 which constitutes or is derived from proceeds traceable to the offense(s). The  
10 property sought for forfeiture includes, but is not limited to, the following:

11 MONEY JUDGMENT

12 A sum of money in United States currency, representing the amount  
13 of proceeds obtained by the Defendants from the mail fraud  
14 violations.

15 If any of the property described above, as the result of any act or omission of  
16 Defendants:

- 17
- 18 (a) cannot be located upon the exercise of due diligence;
  - 19 (b) has been transferred or sold to, or deposited with, a third party;
  - 20 (c) has been placed beyond the jurisdiction of the court;
  - 21 (d) has been substantially diminished in value; or
  - 22 (e) has been commingled with other property which cannot be divided  
23 without difficulty,

24  
25 the United States shall be entitled to forfeiture of substitute property pursuant to 21  
26 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. §  
27 2461(c).

1 Pursuant to 18 U.S.C. § 982(a)(7), upon conviction of an offense(s) in  
2 violation of 21 U.S.C. § 371, Conspiracy to Violate 21 U.S.C. § 331(a), and/or 21  
3 U.S.C. § 331(a), Introducing Adulterated Food into Interstate Commerce, as  
4 alleged in this Indictment, and/or 21 U.S.C. § 331(dd), Failure to Register a Food  
5 Facility, Defendants, MARY ANN BLIESNER and VALLEY PROCESSING,  
6 INC, shall forfeit United States of America any property, real or personal, that  
7 constitutes or is derived, directly or indirectly, from gross proceeds traceable to the  
8 commission of the offense(s). The property sought for forfeiture includes, but is  
9 not limited to, the following:

10 MONEY JUDGMENT

11 A sum of money in United States currency, representing the amount  
12 of proceeds obtained by Defendants from the Introducing Adulterated  
13 Food into Interstate Commerce violations.

14  
15 If any of the property described above, as the result of any act or omission of  
16 Defendants:

- 17 (a) cannot be located upon the exercise of due diligence;  
18 (b) has been transferred or sold to, or deposited with, a third party;  
19 (c) has been placed beyond the jurisdiction of the court;  
20 (d) has been substantially diminished in value; or  
21 (e) has been commingled with other property which cannot be divided  
22 without difficulty,

23  
24 the United States shall be entitled to forfeiture of substitute property pursuant to 21

25 //

26 //

27 //



1 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b)(1) and 28 U.S.C. §  
2 2461(c), all pursuant to 18 U.S.C. § 982(a)(7) and 28 U.S.C. § 2461(c).  
3

4 DATED this 13<sup>th</sup> day of September 2022.  
5

6 A TRUE BILL  
7

8   
9 Foreperson

10  
11 Vanessa R. Waldref  
12 Vanessa R. Waldref  
13 United States Attorney

14 Dan Fruchter  
15 Dan Fruchter  
16 Assistant United States Attorney

17 Tyler H.L. Tornabene  
18 Tyler H.L. Tornabene  
19 Assistant United States Attorney

20  
21 David L. Gunn for  
22 David L. Gunn  
23 Senior Trial Attorney, Civil Division, Consumer Protection Branch

24 James J. Hennelly  
25 James J. Hennelly  
26 Trial Attorney, Civil Division, Consumer Protection Branch  
27  
28